

CHARTER

AND

B Y - L A W S

OF THE

Castle Rock Coal Company

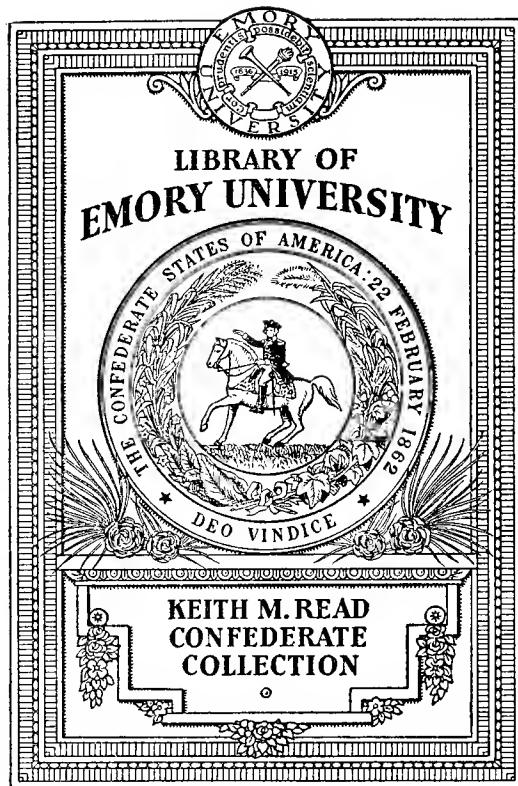
OF GEORGIA

CAPITAL \$400,000—SHARES \$100 each.

OFFICE—WHITEHALL STREET, ATLANTA, GA.:
(UP-STAIRS, OPPOSITE BEACH & ROOT.)

ATLANTA, GEORGIA
Franklin Steam Printing House,
J. J. TOON & CO., PROPRIETORS.

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DIRECTORS
OF THE
CASTLE ROCK COAL COMPANY OF GEORGIA.

S. B. ROBSON, GEO. S. CAMERON,
JOHN THOMAS, R. C. ROBSON,
Z. H. GORDON. S. B. ROBSON, PRESIDENT.
W. H. TULLER, Sec'y.

CHARTER

AN ACT

TO INCORPORATE THE CASTLE ROCK COAL COMPANY OF GEORGIA.

SECTION 1. *Be it enacted by the General Assembly of the State of Georgia*, that George S. Cameron, John Thomas, S. B. Robson, Z. H. Gordon, R. C. Robson, and their associates and successors, are hereby constituted a body, corporate and politic, under the name and style of the "Castle Rock Coal Company of Georgia," for the purpose of exploring and mining for coal, and vending the same, and to continue in existence to them and their successors for a period of ninety-nine years, with power to build, or purchase, or own stock in such railroads as may be necessary for transportation of coal, or other purposes necessary in conducting the business of said company in mining and transportation of coal and the transportation of their necessary supplies. To make and use a common seal, and to alter and change the same at pleasure; to make such by-laws not inconsistent with the Constitution or laws of the State, as may seem necessary and proper for its government in its corporate name; to sue and be sued, to plead and be impleaded, to hold by purchase or otherwise, and to dispose of the same in any way, any real estate, or personal property which may be useful or necessary, for carrying on its operations or which it may become possessed of, in payments of debts due to it.

SEC. 2. *Be enacted*, That the capital stock of said company, shall be three hundred and fifty thousand dollars, with liberty to increase the same as hereinafter provided, to

be divided into shares of not less than one hundred dollars each ; the amount of capital Stock, the number and price of shares, shall be fixed and agreed upon by the Corporators at their first meeting under this act. Nothing but money or mining property shall be regarded as a basis for capital stock.

The stocks to be subscribed and paid for as the Board of Directors may prescribe. The stock shall be considered as personal property, and shall be transferred only on the books of the company in person or by attorney.

SEC. 3. *Be it further enacted*, That the stockholders, not having paid their stocks according to the terms of subscription, shall be individually liable to the creditors of the Company to the amount so remaining unpaid.

SEC. 4. *Be it further enacted*, That said company may at its pleasure, and in such form and as the Directors shall elect and declare, increase the capital stock to any amount they may deem advisable, not exceeding six hundred thousand dollars, and said Directors shall have power to sell, dispose of, or take subscriptions for such increased and additional stock, in such manner and form, at such time and place, and on such terms as they may think proper to order and prescribe.

SEC. 5. *Be it further enacted*, That the Corporators, named in the first section of this act, or any of their associates who may be chosen, or elected at the first meeting of the Company, shall be the Directors for the first year ; five members of the Company shall constitute a full Board of Directors, and shall hold their places until others are elected and qualified in their stead. The annual meeting of the Company shall be held at such times and places as the Board of Directors may determine from year to year. Thirty days notice being given in some newspaper published near the place of business, of the time and place of such meeting.

At each annual meeting, a Board of Directors shall be chosen for the ensuing year. But in case of failure to elect a Board of Directors, the Charter of the Company shall not be forfeited thereby, but the Directors of the previous year shall continue in office until others are elected in their stead.

The Directors shall appoint one of their number President, and shall appoint such other officers as they may deem proper, and affix their salaries.

SEC. 6. *Be it enacted*, That said Company shall not contract any debt over and above the amount of capital stock paid in, no part of which shall be withdrawn, or in any way or manner directed from the business of the Company without the consent of three fourths in interest of the stockholders.

PETER E. LOVE,

Speaker of the House of Representatives, *pro tem.*

L. CARRINGTON, Clerk of the House of Representatives.

JOHN BILLUPS, President of the Senate.

JAS. M. MOBLEY, Secretary of Senate.

As the Legislature has, by a Constitutional majority, overruled in other cases the objections I have to this bill, I yield my assent to it out of respect for their decision.

This 15th December, 1862.

(Signed)

JOSEPH E. BROWN, Governor.

SECRETARY OF STATE OFFICE,
MILLEDGEVILLE, GEORGIA, }
December 17, 1862. }

I, Nathan C. Barrett, Secretary of State, do hereby certify that the foregoing is a correct copy of an act to incorporate the Castle Rock Coal Company of Georgia, of file in this office.

Given under my hand and seal of office this the 17th day
December, 1862.

A. C. BARRETT,
Secretary of State.

B Y - L A W S .

ARTICLE 1. The principal office of the Company shall be located in the city of Atlanta, Georgia.

ART. 2. The annual meetings of the Company, shall be held at such times and places as the Board of Directors may determine from year to year. Thirty days previous notice being given in some newspaper published in the city of Atlanta, of the time and place of such meeting.

Special meetings of the stockholders may be called by the board of Directors in the same way.

ART. 3. It shall be the duty of the stockholders at each annual meeting of the Company to elect a Board of Directors for the ensuing year; each share of stock, shall entitle the holder to one vote, which may be cast in person or by proxy.

A plurality of votes at all such meetings shall determine the election. No action of the stockholders at any annual or special meeting of the Company shall be binding, except for the purposes of election of Directors or adjournment, unless a majority or the whole Capital stock, shall be represented either in person or by proxy. All elections of the Company shall be held under the inspection of three stockholders in said company, not being Directors, or to be appointed by the President. The voting shall be by ballot.

ART. 4. The Directors shall be stockholders in the Company to the extent of fifty shares each, who shall at their first meeting, or at a special meeting called for the purpose, elect a President and Secretary of the Company for the ensuing year.

ART. 5. The Board of Directors shall meet at least once in three months, for the transaction of business. Special meetings of the Board may be called at any time by the Secretary of the Company upon the written request of any two of the Directors or the President.

ART. 6. Any vacancy occurring in the Board of Directors, may be filled for the unexpired time, by the remaining Directors.

ART. 7 The President shall preside at all of the meetings of the Company, and of the Board of Directors, and shall give the casting vote in case of a tie. Three members shall constitute a quorum for the transaction of business. In the absence of the President, the Board shall elect a President *pro tem*, who shall, for the time being, perform the duties of the President.

ART. 8. The President shall reside in or near the city of Atlanta, and under the supervision of the Board of Directors, shall have direction and control of the works and means of the Company. The President shall sign all certificates of stock, bonds, checks, and other documents and papers of the Company requiring his signature.

ART. 9. It shall be the duty of the Secretary to cause to be kept full and correct accounts of all the transactions and business of the Company. It shall be his duty to collect all monies due the Company, and deposit the same in some good and solvent Bank, to be designated by the Board of Directors. The account to be kept in the corporate name of the Company, and to settle the cash account of the Company every week, which account shall be constantly open to the inspection of the President and Directors. He shall sign all certificates of stock, and shall generally perform all the duties that are usually required of such officers in a corporate company. He shall prepare a report of the financial

and other affairs and business of the Company, whenever required by the President so to do.

All notes, checks and drafts drawn by the Company, shall be signed by the President and Secretary, and no notes, drafts, or acceptances, of the company shall be made except for materials, or temporary loans for the use of the Company, without special direction of the Board.

ART. 10. A common seal shall be provided by the Board of Directors for the use of the Company, which shall be attached to all certificates of stock, as well as all legal instruments executed by the Company. A full record of all certificates issued, of all bonds and other documents made and executed by the Company, shall be kept by the Secretary, who shall also keep a stock ledger and transfer book, in which shall be entered all issues and transfer of shares of the stock of the Company. The stock of the Company shall be transferred only on the Books of the Company by the holder in person, or by his attorney.

ART. 11. The By-Laws of the Company may be altered or amended at any regular meeting of the Company. All proposed amendments or alteration of the By-Laws must be submitted to the Board of Directors, at least one month previous to the meeting of the stockholders.

PROSPECTUS OF THE
CASTLE ROCK COAL COMPANY OF GEORGIA

THE Coal Lands formerly owned by the Rev. Z. H. Gordon, and known as the Castle Rock Coal Lands, situated in Dade County, Georgia, have recently been purchased by the Castle Rock Coal Company, of Georgia. This Company has just been organized under a liberal Charter passed by the Legislature at its last Session. The property purchased embraces over three thousand acres, together with all the improvements thereon for mining operations, consisting of side tracks, a new and substantial Incline Plane, together with one half of the Nickajack Railroad, connecting the Coal Mines with the Nashville and Chattanooga Road and Tennessee River at Shell Mound Depot, which is about 20 miles west of Chattanooga. It will thus be seen that they are situated at a point favorable for distribution, and when there will be an almost unlimited demand for coal. The Capital Stock of the Company, as now organized, is Four Hundred Thousand Dollars, Fifty Thousand of which is set apart for a Working Capital. It is believed there is not a more desirable field for profitable investment of capital and labor, directed by good judgement, than is presented by this Company. It is believed so for these reasons: The Company enter at once upon the property already so largely developed; that it could, with but little additional outlay, deliver at the foot of the mountain 150 to 200 tons of coal per day. To show that this is an easy matter, we extract from a letter written by Capt. John Frater, on the 11th of September last. Capt. Frater has had extensive and long experience in Coal Mining,

both in England and this country, and is now employed by the Company. In regard to these Coal Mines, he writes as follows :

“ The vein of coal which we are now working, I will designate as No. 1, or upper vein. The main gangway or entry is 425 feet into the face, and throughout this it is of the uniform thickness of 3 feet 6 inches, and mines out nearly all lump coal—at least three-fourths. The other fourth is from fine to egg size, and capable of being worked in with mixed coal. This vein is best adapted for domestic use, or for steam purposes and Rolling Mills. I do not hesitate to say that this vein of coal is the best marketable coal in the Southern Confederacy. In the range of my observation and experience, I know of none that will bear shipping or stocking as well as this, or that slacks less by exposure to the weather. With our present arrangements, we can run down the mountain and deliver to the Nickajack Railroad 50 to 60 tons of coal per day, and our facilities can be increased, with but very little additional expense, so that we can run 400 to 500 tons per day, if necessary.

“ The vein No. 2, which is 35 feet lower down the mountain, is known as the Harvey Gordon, or Sewanee vein, and is a good quality of coal and well adapted for gas, iron, steam, coke, and smith-shops, but not so well adapted for domestic use as No. 1. The blossom, or outcrop, of this vein, promises a good development. There is also another vein 40 to 50 feet still lower down the mountain, which varies in thickness from 6 inches to 6 feet, and is a good quality of coal, adapted well for making gas, steam, iron, coke, and for domestic use, but more expensive to work on account of its contracting from wide to narrow seams.”

In addition to the foregoing statement of Capt. Frater, we would state that Professor *Charles Upham Shepard* made a

report upon these very properties which was published in 1859, from which we herewith make some extracts. To those who know Professor Shepard, it is not necessary to say that it is the very highest authority. Professor Shepard gives the description of the veins as follows :

“ DESCRIPTION OF THE UPPER VEIN.

“ This has been well exposed upon Section 43, a little to the east of Rev. Z. H. Gordon’s dwelling house. It here crops out to the east, beneath a mural capping of sandstone grit, forty feet and upwards in height. These sandstone strata form the table of the mountain, and extend westward for several miles, with an almost imperceptible asceptible ascent, thus giving rise to a drainage towards the outcrop of the coal. Indeed, a small stream of water thus originating is precipitated twenty or thirty feet over the sandstone ledge directly at the mine’s mouth. This slope of table-land, from west to east, exactly coincides with the dip of the coal ; and, as determined by the clinometer, amounted to 5° . The sandstone is firm and thick bedded. It is very little prone to cross-cleavage, which is a point of some importance in taking out the coal, inasmuch as it will require a greatly diminished waste of the vein for the purpose of support to the superincumbent rock.

“ The coal is seen at this outcrop for a distance of sixty yards or more, and has been penetrated at one point one hundred and fifty feet. Its thickness is exceedingly uniform, measuring from three feet two inches to three feet six inches. The roof is perfectly smooth and solid sandrock. At a distance of six or eight inches from the top of the coal, there exists a thin parting of bituminous shale, from one quarter to three quarters of an inch in thickness, which will afford considerable facility in taking down the coal. The floor of the vein is a firm, fine clay, imperfectly shistose, of a light ash color, and remarkably free from lime and oxide of iron.

"The coal is firm, black, glossy and clear. It would be called a cubical or black coal; *i. e.*, it has a tendency to separate into square or cubical masses, although the three cleavages, or separating planes, are not equally distinct: that which is horizontal is the least perfectly defined, and one of the vertical surfaces is much brighter than the other—the brighter face being banded, also, by frequent seams of a more lustrous quality than the general body of the coal presents. In general appearance, this coal resembles most that of the Frostburg and Cumberland basin in Maryland, while it also approximates in its general qualities some of the Glasgow and Edinburg coals. The horizontal cleavages, especially near the roof and the foot of the vein, frequently exhibit traces of what is called mineral charcoal. The vein, throughout, is absolutely free from sulphur. I have not been able to detect a trace of iron-pyrites in its composition.

"Thrown into a common wood fire, among burning charcoal, it immediately kindles, burns with a bright light, gas being freely evolved from its entire surface, which at first slightly swells, and then opens partially in spots, through which jets of melted coke slightly exude. The mass retains its general shape, and does not fall to pieces. When the flame ceases, the mass continues to glow with red heat throughout, and precisely resembles, in its farther combustion, the best wood-charcoal, until it falls into an incombustible greyish white powder, or ash. These are burning qualities which especially recommend this coal for use in grates and for cooking.

Its specific gravity is.....1.33

A sample taken from the upper portion of the vein gave

Carbon,.....	61.50
Volatile (combustible) matter.....	22.50
Water,.....	1.00
Ash,.....	15.00

“ The ash has a greyish white color, and consists of 1-6th carbonates of lime and magnesia and 5-6th clay, which only had feeble traces of oxyde of iron.

“ A specimen from the lower part of the vein afforded :

Carbon,.....	.....	59.90
Volatile matter,.....	.....	21.
Water,.....	.....	2.
Ash,.....	.....	18.50

“ The ash was similar in character to the above.

“ This affords us the following, as the mean composition of the upper coal :

Carbon,.....	.....	59.50
Volatile matter,.....	.....	21.75
Water,.....	.....	1.50
Ash,.....	.....	16.75

“ It belongs, therefore, to the highly valuable class of semi-bituminous, open-burning steam coals, and takes rank by the side of the Pennsylvania (Phillipsburg) and Virginia (Richmond) varieties. It also stands in close connection to certain coals found in Southern and Western Wales.

“ It is also expected that the per centage of incombustible matter will diminish slightly, whilst that of the carbon, will increase, as the coal is worked back from its outcrop.

DESCRIPTION OF THE LOWER COAL SEAM.

“ At a distance of not far from seventy feet below the position of the upper coal, several openings have been made upon a vein which is included between a shelly, sandstone rock, on the upper side, and a fine clay on the lower. Its thickness is less than that of the superior stratum; and perhaps it has not yet been sufficiently penetrated to justify the conclusion that it will average more than two feet of workable coal. At one place it measures fully three feet; but at a short distance it contracts to one foot. At a second opening, one hundred yards distant, it maintains a thickness of two feet for at least twenty yards of its outcrop.

“ This coal is black and shining. It does not soil the fingers. It is less distinctly stratified than the upper seam; is somewhat spumose, and more likely to crumble or break into *smalls*. It shows evident traces of iron-pyrites, though it is not what would be called a sulphur coal. It is much in request by black-smiths, for whose purpose it is esteemed superior to the upper vein.

“ Its specific gravity is 1.33. It consists of :

Carbon,.....	63.00
Volatile Matter,.....	28.00
Water,.....	1.50
Ash,.....	7.50
	100.00

“ The ash is a reddish brown, and besides traces of carbonate lime and magnesia, contains considerable peroxide of iron, mingled with the clay.

“ This coal will still rank under the semi-bituminous class, though much richer in volatile matter than the superior bed. It will be more valuable for the purpose of generating steam than the drier coal; but its great value will obviously consist in its adaptation to the formation of coke, in which condition it will chiefly find its way to market.

DESCRIPTION OF THE MIDDLE COAL BED.

“ About half way between the two coals already noticed is visible at one spot, what I regard as the middle bed of coal of this formation. It occurs within soft decomposing shale, which is characterized by the presence* of small discoid concretions of argillaceous carbonate of iron. The opening made into the coal was insufficient for the accurate determination, either of the thickness of the bed or of its quality.

The coal resembles the lower bed in its structure; but it differs from it, in not containing so much sulphur.

Its specific gravity is 1.36.

It contains :

Carbon,.....	.....	62.00
Volatile matter,.....	.....	27.00
Water,..	.....	1.50
Ash,.....	.....	9.50
		<hr/>
		100.00

“The ash is reddish grey, and has 4-5ths of its composition, clay slightly ferruginous, with the remainder consisting of the carbonates of lime and magnesia.”

Professor Shepard concludes his report upon these properties in the following decided language. He says :

“ It remains only to speak of the probable quantity of coal on the Castle Rock Company’s lands. Of the 3000 aeres of their tract, it is perfectly safe to assume that 2,500 are underlaid by three coal seams described. The upper coal alone will yield 5,000 tons of merchantable produce, per acre. Add to this six feet more for the aggregate of the middle and lower beds, and we have 9,800, or the enormous yield of 14,800 tons per acre, which at one cent per bushel only, is worth \$4,144 the acre! Or, supposing that one half the territory, from its remoteness from the valley where the road is to be constructed for transporting the coal to the river, should not become marketable for a long time to come, one thousand acres are certainly as accessible as could be desired, and will fully justify the valuation affixed.

“ But this amount of profit scarcely deserves mention when compared with what will be fully within the reach of the Company, if it embarks in the enterprise of mining itself, and at the same time of supplying the numerous and daily increasing markets at its disposal. The cost of mining this coal, after all the proper arrangements for the business are adopted, cannot exceed one cent and a half per bushel. Two cents additional will surely cover the interest on the inclined plane and railway, with all expenses of wear and tear and

incidental labor for the delivery of the coal at Shell Mound. It will then be put upon the great East and West railroad, at three and a half cents per bushel, thus leaving a net profit of from seven to eight cents the bushel, or two dollars per ton.

“When it is borne in mind that there is a gain of three-fifths in the heating power of coal, as compared with wood, at the average prices of the two fuels where both are similarly abundant, and that when quantities of equal heating power are employed, the coal is three times the lightest, nine times less bulky, and four times cheaper to handle, it is easy to foresee that, even in a country where wood is abundant, it is destined to be speedily replaced by the mineral fuel. Every steam-boat that is launched, every railroad that is constructed, and every machine shop that is built, is hastening the result, and the day is near at hand, if it has not already arrived, when every well ascertained repository of easily accessible coal is as capable of a definite appreciation as good cultivable soil in a populous country. Such a tract is that owned by the Castle Rock Coal Company, and I know of no similar possession that holds out a prospect of an earlier contribution to individual wealth and national prosperity.”

It will be noticed that Prof. Shepard’s report was made before any improvements had been made for the delivery of coal by Incline Plane and Rail Road communications with the Memphis & Charleston Railroad, and the Tennessee river. We now enter into possession of these properties with these improvements made. The Nickajack Railroad is not, however, in condition for extensive work, on account of the flat bar iron having been used in its construction. It is found too weak to bear the heavy transportation of coal trains.

It has been determined by the Company to enter at once upon the work of relaying the track with T rail iron at the earliest practical time.

We have now arrived at a point to calculate the results of this enterprise in the hands of the Company. Prof. Shepard made his estimate (in peace times) of the expense of laying this coal down at Shell Mound Depot at $3\frac{1}{2}$ cents per bushel; the parties paying interest on cost of Incline Plane Railroad, &c. When it is considered that the Company now own these works by its capital, it will certainly be admitted a liberal estimate of cost per bushel. We make this estimate for peace times, as we regard any other data as uncertain for safe estimates. The Company aim at the easy production of 200 tons per day.

200 tons per day, of 25 bushels each is 5000 bushels at 12 cents,	600.00
Cost of Mining and delivery at Shell Mound. $3\frac{1}{2}$ cents per bushel,..	175.00
Net profit per day.....	\$425.00
Estimating 300 working days to the year, we have a net result of.....	\$127,500

Or a dividend of 30 per cent on our capital of \$400,000.

For the war prices we can only say it is impossible to calculate for the daily fluctuation of the cost of supplies for working the Mines, &c. We will only say, that at present, there is a large demand for coal at 30 cents per bushel, or \$7.50 per ton.

Were we to make an estimate based on current prices, it would show enormous profits, even with the present cost of working the Mines.

We prefer to discard such estimates, as they are uncertain and daily changing. We deem it right, however, to mention the present high prices as evidence of the fact, that for coal, the price is likely to keep pace with the increased cost of production so long as the present war continues.

We prefer to base our estimates on a peace price as before stated at 12 cents per bushel, or $3\frac{1}{2}$ per ton, delivered at Shell Mound, and when it is evident, that at these low prices,

we could pay a devidend of 30 per cent per annum on our Capital stock, we certainly need no further evidence of the magnificent value of our enterprise.

In our estimates we have only made calculations on the delivery of 200 tons of coal per day; and when it is considered that with little additional effort and expense, we can double this production, and consequently double our profits, we may readily believe that the time is not far distant when the stock of this Company will be held in the highest estimation by the capitalists of the country.

ATLANTA, Feb. 12, 1863.



